

SENATE BILL No. 339

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-2; IC 6-6-5-9; IC 9-13-2; IC 9-18-2-8; IC 9-27-4; IC 9-29.

Synopsis: Various motor vehicle matters. Repeals and relocates provisions concerning the licensing of commercial driver training schools and instructors, and transfers their responsibility from the bureau of motor vehicles (bureau) to the Indiana criminal justice institute (ICJI). Transfers rules of the bureau concerning commercial driver training schools and instructors from the bureau to the ICJI. Removes the requirement that the daily deposit of motor vehicle excise taxes collected by the bureau be deposited in a separate account. Authorizes the bureau to determine the registration schedule for various categories of vehicles. Repeals outdated language concerning registration schedules for certain vehicles. Makes conforming amendments.

Effective: Upon passage; July 1, 2008.

Merritt

January 14, 2008, read first time and referred to Committee on Homeland Security, Transportation & Veterans Affairs.

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Introduced

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

SENATE BILL No. 339

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-2-6-3, AS AMENDED BY P.L.186-2007,
2 SECTION 3, AS AMENDED BY P.L.192-2007, SECTION 1, AND
3 AS AMENDED BY P.L.216-2007, SECTION 1, IS CORRECTED
4 AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
5 2008]: Sec. 3. The institute is established to do the following:

6 (1) Evaluate state and local programs associated with:

7 (A) the prevention, detection, and solution of criminal
8 offenses;

9 (B) law enforcement; and

10 (C) the administration of criminal and juvenile justice.

11 (2) Improve and coordinate all aspects of law enforcement,
12 juvenile justice, and criminal justice in this state.

13 (3) Stimulate criminal and juvenile justice research.

14 (4) Develop new methods for the prevention and reduction of
15 crime.

16 (5) Prepare applications for funds under the Omnibus Act and the
17 Juvenile Justice Act.



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- (6) Administer victim and witness assistance funds.
- (7) Administer the traffic safety functions assigned to the institute under IC 9-27-2.
- (8) Compile and analyze information and disseminate the information to persons who make criminal justice decisions in this state.
- (9) Serve as the criminal justice statistical analysis center for this state.
- (10) Identify grants and other funds that can be used by the department of correction to carry out its responsibilities concerning sex *or violent* offender registration under IC 11-8-8.
- (11) Administer the application and approval process for designating an area of a consolidated or second class city as a public safety improvement area under IC 36-8-19.5.
- (12) Develop and maintain a meth watch program to inform retailers and the public about illicit methamphetamine production, distribution, and use in Indiana.
- (13) Establish, maintain, and operate, subject to specific appropriation by the general assembly, a web site containing a list of properties (as defined in IC 5-2-6-19(b)) that have been used as the site of a methamphetamine laboratory.*
- ~~(13)~~ (14) Develop and manage the gang crime witness protection program established by section 21 of this chapter.
- ~~(14)~~ (15) Identify grants and other funds that can be used to fund the gang crime witness protection program.

(16) Administer the licensing of:

(A) commercial driver training schools; and

(B) instructors at commercial driver training schools.

SECTION 2. IC 5-2-6.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]

Chapter 6.5. Commercial Driver Training Schools

Sec. 1. This chapter does not apply to the following:

- (1) An individual giving driver training lessons without charge.**
- (2) Employers maintaining driver training schools without charge, for employees of the employer only.**
- (3) Schools or classes conducted by colleges, universities, and high schools for regularly enrolled students.**

Sec. 2. As used in this chapter, "bureau" refers to the bureau of motor vehicles created by IC 9-14-1-1.

Sec. 3. As used in this chapter, "college" means:

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- (1) an accredited college;
- (2) a technical college;
- (3) a university; or
- (4) a junior college.

Sec. 4. (a) As used in this chapter, "commercial driver training school" means a business enterprise that:

- (1) is conducted by an individual, an association, a partnership, a limited liability company, or a corporation for the education and training of persons, either practically or theoretically, or both, to operate or drive motor vehicles or to prepare an applicant for an examination or validation given by the bureau under IC 9-24 for a driver's license; and
- (2) charges consideration or tuition for the provision of services.

(b) The term does not include a business enterprise that educates or trains a person or prepares a person for an examination or a validation given by the bureau to operate or drive a motor vehicle as a vocation.

Sec. 5. As used in this chapter, "driver's license" has the meaning set forth in IC 9-13-2-48.

Sec. 6. As used in this chapter, "institute" refers to the Indiana criminal justice institute established by IC 5-2-6-3.

Sec. 7. As used in this chapter, "instructor" means the following:

- (1) An individual, whether acting as the operator of a commercial driver training school or on behalf of a commercial driver training school, who for compensation teaches, conducts classes of, gives demonstrations to, or supervises the practice of individuals learning to operate or drive motor vehicles or preparing to take an examination for a driver's license.
- (2) An individual who supervises the work of an instructor.

Sec. 8. (a) To establish or operate a commercial driver training school, the commercial driver training school must obtain a commercial driver's training school license from the institute in the manner and form prescribed by the institute.

(b) Subject to subsection (c), the institute shall adopt rules under IC 4-22-2 that state the requirements for obtaining a commercial driver training school license, including the following:

- (1) Location of the commercial driver training school.
- (2) Equipment required.
- (3) Courses of instruction.

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(4) Instructors.

(5) Previous records of the commercial driver training school and instructors.

(6) Financial statements.

(7) Schedule of fees and charges.

(8) Character and reputation of the operators and instructors.

(9) Insurance in the amount and with the provisions the institute considers necessary to adequately protect the interests of the public.

(10) Other matters the institute prescribes for the protection of the public.

(c) The rules adopted under subsection (b) must permit a licensed commercial driver training school to provide classroom training during which an instructor is present in a county outside the county where the commercial driver training school is located to the students of:

(1) a school corporation (as defined in IC 36-1-2-17);

(2) a nonpublic secondary school that voluntarily becomes accredited under IC 20-19-2-8;

(3) a nonpublic secondary school recognized under IC 20-19-2-10;

(4) a state educational institution; or

(5) a nonaccredited nonpublic school.

However, the rules must provide that a licensed commercial driver training school may provide classroom training in an entity listed in subdivisions (1) through (3) only if the governing body of the entity approves the delivery of the training to its students.

Sec. 9. (a) To be eligible for an instructor's license under subsection (d), an individual must complete at least sixty (60) semester hours at a postsecondary educational institution. The individual must:

(1) complete at least nine (9) semester hours in driver education courses; and

(2) be at least twenty-one (21) years of age upon completion of the driver education courses required by subdivision (1).

(b) The number of semester hours of driver education courses required under subsection (a)(1) must include a combination of theoretical and behind-the-wheel instruction that is consistent with nationally accepted standards in traffic safety.

(c) The driver education semester hours completed under subsection (a)(1) do not satisfy the requirements of subsection (d) unless the driver education curriculum is approved by the

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commission for higher education.

(d) The institute shall issue an instructor's license to an individual who:

- (1) meets the requirements of subsection (a);
- (2) does not have more than the maximum number of points for violating traffic laws specified by the bureau by rules adopted under IC 4-22-2;
- (3) has a good moral character, physical condition, knowledge of the rules of the road, and work history. The institute shall adopt rules under IC 4-22-2 that specify the requirements, including requirements about criminal convictions, necessary to satisfy the conditions of this subdivision; or
- (4) holds a driver and traffic safety education endorsement issued by the department of education established by IC 20-19-3-1 and meets the requirements of subdivisions (2) and (3).

Only an individual who holds an instructor's license issued by the institute under this subsection may act as an instructor.

Sec. 10. (a) A license expires on the last day of the fiscal year and may be renewed upon application to the institute as prescribed by rule.

(b) Each application for an original or renewal license must be accompanied by a:

- (1) certified check;
- (2) corporate check; or
- (3) United States postal money order.

(c) The fee for:

- (1) an original or a renewal school license is one hundred dollars (\$100); and
- (2) an original or a renewal instructor's license is ten dollars (\$10).

(d) A license fee may not be refunded if the license application is rejected or the license is suspended or revoked.

(e) A license fee collected under this section shall be deposited in the motor vehicle highway account fund established under IC 8-14-1.

Sec. 11. (a) The institute shall adopt rules under IC 4-22-2 that are necessary to administer and enforce this chapter and to protect the public.

(b) The institute shall do the following:

- (1) Inspect the following:
 - (A) School facilities.

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(B) Equipment of applicants and licensees.

(2) Examine applicants for instructor's licenses.

(c) The institute shall administer and enforce this chapter and may request assistance from the superintendent of public instruction in developing and formulating appropriate rules.

Sec. 12. (a) The institute may:

(1) cancel;

(2) suspend;

(3) revoke;

(4) refuse to issue; or

(5) refuse to renew;

a school license or an instructor's license if the institute finds that a licensee or an applicant has not complied with or has violated this chapter or a rule adopted by the institute under this chapter.

(b) The person who holds a license that has been canceled, suspended, or revoked under this section shall return the license to the institute.

Sec. 13. The institute, after notice and opportunity for a hearing, may cancel, suspend, revoke, or refuse to renew a license issued under this chapter if it is shown that the person who holds the license:

(1) no longer meets the requirements necessary to obtain the license; or

(2) has willfully violated this chapter or a rule adopted by the institute.

Sec. 14. A person who violates this chapter commits a Class C infraction.

SECTION 3. IC 6-6-5-9, AS AMENDED BY P.L.184-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The bureau, in the administration and collection of the annual license excise tax imposed by this chapter, may utilize the services and facilities of license branches operated under IC 9-16 in its administration of the motor vehicle registration laws of the state of Indiana. The license branches may be so utilized in accordance with such procedures, in such manner, and to such extent as the bureau shall deem necessary and proper to implement and effectuate the administration and collection of the excise tax imposed by this chapter. However, in the event the bureau shall utilize such license branches in the collection of excise tax, the following apply:

(1) The excise taxes so collected by each license branch, less any refunds made by the license branch, shall be deposited daily by the license branch in a separate account in a depository duly

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designated by the state board of finance. The county treasurer of the county for which the collections are due may withdraw funds from the account at least two (2) times each week. The county treasurer is responsible for the safekeeping and investment of money withdrawn by the county treasurer under this subsection. Before the eleventh day of the month following the month in which the collections are made, the bureau of motor vehicles shall report the excise taxes collected and refunds made outside the county to the county treasurer of the county to which the collections are due and the refunds apply. The bureau shall forward a copy of this excise tax report to the county auditor of the county.

(2) A license branch shall each week forward a report to the county auditor of the county to whom the collections are due, showing the excise tax collected on each vehicle, each refund on a vehicle, and a copy of each registration certificate for all collections and refunds within the county.

(3) Each license branch shall also report to the bureau all excise taxes collected and refunds made under this chapter in the same manner and at the same time as registration fees are reported.

(4) Premiums for insurance to protect the funds collected by license branches against theft shall be paid by the bureau, except that the bureau may issue blanket coverage for all branches at its discretion. At the discretion of the bureau, the bureau may:

(A) self-insure to cover the activities of the license branches;

or

(B) rather than purchase a bond or crime policy for each branch, purchase a single blanket bond or crime insurance policy endorsed to include faithful performance to cover all branches.

(5) If the services of a license branch are used by the bureau in the collection of the excise tax imposed by this chapter, the license branch shall collect the service charge prescribed under IC 9-29 for each vehicle registered upon which an excise tax is collected by that branch.

(6) If the excise tax imposed by this chapter is collected by the department of state revenue, the money collected shall be deposited in the state general fund to the credit of the appropriate county and reported to the bureau of motor vehicles on the first working day following the week of collection. Except as provided in subdivision (7), any amount collected by the department which represents interest or a penalty shall be retained by the department

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and used to pay its costs of enforcing this chapter.

(7) This subdivision applies only to interest or a penalty collected by the department of state revenue from a person who:

(A) fails to properly register a vehicle as required by IC 9-18 and pay the tax due under this chapter; and

(B) during any time after the date by which the vehicle was required to be registered under IC 9-18 displays on the vehicle a license plate issued by another state.

The total amount collected by the department that represents interest or a penalty, minus a reasonable amount determined by the department to represent its administrative expenses, shall be deposited in the state general fund for the credit of the county in which the person resides. The amount shall be reported to the bureau of motor vehicles on the first working day following the week of collection.

The bureau may contract with a bank card or credit card vendor for acceptance of bank or credit cards.

(b) On or before April 1 of each year the bureau shall provide to the auditor of state the amount of motor vehicle excise taxes collected for each county for the preceding year.

(c) On or before May 10 and November 10 of each year the auditor of state shall distribute to each county one-half (1/2) of:

(1) the amount of delinquent taxes; and

(2) any penalty or interest described in subsection (a)(7);

that have been credited to the county under subsection (a). There is appropriated from the state general fund the amount necessary to make the distributions required by this subsection. The county auditor shall apportion and distribute the delinquent tax distributions to the taxing units in the county at the same time and in the same manner as excise taxes are apportioned and distributed under section 10 of this chapter.

(d) The commissioner of insurance shall prescribe the form of the bonds or crime policies required by this section.

SECTION 4. IC 9-13-2-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 28. "Commercial driver training school", for purposes of IC 9-24-10-4, ~~and IC 9-27-4~~, has the meaning set forth in ~~IC 9-27-4-2~~. **IC 5-2-6.5-4.**

SECTION 5. IC 9-18-2-8, AS AMENDED BY P.L.79-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) The bureau shall ~~register vehicles under~~ **determine the schedule in this section: for registration for the following categories of vehicles:**

(1) Passenger motor vehicles.

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(2) Recreational vehicles.

(3) Motorcycles.

(4) Trucks that:

(A) are not regularly rented to others for not more than twenty-nine (29) days in the regular course of the corporation's business; and

(B) have a declared gross weight of not more than eleven thousand (11,000) pounds.

(b) Except as provided in IC 9-18-12-2.5, a person ~~who~~ **that** owns a vehicle shall receive a license plate, renewal tag, or other indicia upon registration of the vehicle. The bureau may determine the device required to be displayed.

(c) A corporation shall register, before February 1 of each year, the following vehicles that are owned by the corporation:

(1) A passenger motor vehicle that is not regularly rented to others for not more than twenty-nine (29) days in the regular course of the corporation's business.

(2) A recreational vehicle.

(3) A motorcycle.

(4) A truck that:

(A) is not regularly rented to others for not more than twenty-nine (29) days in the regular course of the corporation's business; and

(B) has a declared gross weight of not more than eleven thousand (11,000) pounds.

(d) (c) A corporation that owns a

(1) passenger motor vehicle; or

(2) truck that has a declared gross weight of not more than eleven thousand (11,000) pounds

that is regularly rented to others for periods of not more than twenty-nine (29) days in the regular course of the corporation's business must register the ~~passenger motor vehicle~~ or truck before March 1 of each year.

(e) For registrations for 2005, a person who owns a:

(1) passenger motor vehicle;

(2) recreational vehicle;

(3) motorcycle; or

(4) truck that has a declared gross weight of not more than eleven thousand (11,000) pounds;

that is not subject to the registration requirements under subsection (d) shall register the passenger motor vehicle, recreational vehicle, motorcycle, or truck in conformance with the schedule set forth in

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subsection (f) or (g):

(f) After December 31, 2005, a person who owns a vehicle subject to registration under this subsection shall register the vehicle in accordance with subsection (g). The following schedule applies to persons who own vehicles that are required to be registered under subsection (e):

(1) Persons whose last names begin with the letters A through BE shall register before February 16 of each year.

(2) Persons whose last names begin with the letters BF through BZ shall register before March 1 of each year.

(3) Persons whose last names begin with the letter C shall register before March 16 of each year.

(4) Persons whose last names begin with the letter D shall register before April 1 of each year.

(5) Persons whose last names begin with the letters E through F shall register before April 16 of each year.

(6) Persons whose last names begin with the letter G shall register before May 1 of each year.

(7) Persons whose last names begin with the letters HA through HN shall register before May 16 of each year.

(8) Persons whose last names begin with the letters HO through I shall register before June 1 of each year.

(9) Persons whose last names begin with the letters J through KM shall register before June 16 of each year.

(10) Persons whose last names begin with the letters KN through L shall register before July 1 of each year.

(11) Persons whose last names begin with the letters MA through ME shall register before July 16 of each year.

(12) Persons whose last names begin with the letters MF through O shall register before August 1 of each year.

(13) Persons whose last names begin with the letters P through Q shall register before August 16 of each year.

(14) Persons whose last names begin with the letter R shall register before September 1 of each year.

(15) Persons whose last names begin with the letters SA through SN shall register before September 16 of each year.

(16) Persons whose last names begin with the letters SO through T shall register before October 1 of each year.

(17) Persons whose last names begin with the letters U through WK shall register before October 16 of each year.

(18) Persons whose last names begin with the letters WL through Z shall register before November 1 of each year.

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(g) The bureau shall determine the schedule for registration for the categories of vehicles set forth in subsection (c) for registrations required after December 31, 2005.

(h) (d) A person ~~who~~ **that** owns a vehicle in a category required to be registered under ~~subsection (c), (d), or (e), this section~~ and who desires to register the vehicle for the first time must apply to the bureau for a registration application form. The bureau shall do the following:

(1) Administer the registration application form.

(2) Issue the license plate.

(3) Collect the proper registration and service fees in accordance with the procedure established by the bureau.

(i) (e) Except as provided in IC 9-18-12-2.5, the bureau shall issue a semipermanent plate under section 30 of this chapter, or:

(1) an annual renewal tag; or

(2) other indicia;

to be affixed on the semipermanent plate.

SECTION 6. IC 9-29-5-42, AS AMENDED BY P.L.210-2005, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 42. (a) Except as provided in subsection (c), vehicles not subject to IC 9-18-2-8 shall be registered at one-half (1/2) of the regular rate, subject to IC 9-18-2-7, if the vehicle is registered after July 31 of any year. This subsection does not apply to the following:

(1) Special machinery.

(2) Semitrailers registered on a five (5) year or permanent basis under IC 9-18-10-2.

(3) An implement of agriculture designed to be operated primarily on a highway.

(b) Except as provided in subsection (c), subsection (a) and IC 9-18-2-7 determine the registration fee for the registration of a vehicle subject to registration under IC 9-18-2-8(c) ~~IC 9-18-2-8(d), and IC 9-18-2-8(e)~~ and acquired by an owner subsequent to the date required for the annual registration of vehicles by an owner set forth in IC 9-18-2-8.

(c) Subject to subsection (d), a vehicle subject to the International Registration Plan that is registered after September 30 shall be registered at a rate determined by the following formula:

STEP ONE: Determine the number of months before April 1 of the following year beginning with the date of registration. A partial month shall be rounded to one (1) month.

STEP TWO: Multiply the STEP ONE result by one-twelfth (1/12).

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1 STEP THREE: Multiply the annual registration fee for the vehicle
2 by the STEP TWO result.

3 (d) If the department of state revenue adopts rules under IC 9-18-2-7
4 to implement staggered registration for motor vehicles subject to the
5 International Registration Plan, a motor vehicle subject to the
6 International Registration Plan that is registered after the date
7 designated for registration of the motor vehicle in rules adopted under
8 IC 9-18-2-7 shall be registered at a rate determined by the following
9 formula:

10 STEP ONE: Determine the number of months before the motor
11 vehicle must be re-registered. A partial month shall be rounded to
12 one (1) month.

13 STEP TWO: Multiply the STEP ONE result by one-twelfth
14 (1/12).

15 STEP THREE: Multiply the annual registration fee for the vehicle
16 by the STEP TWO result.

17 SECTION 7. [EFFECTIVE JULY 1, 2008] **The rules adopted**
18 **under IC 4-22-2 by the bureau of motor vehicles before July 1,**
19 **2008, concerning commercial driver training schools and**
20 **instructors of commercial driver training schools are considered,**
21 **after July 1, 2008, rules of the Indiana criminal justice institute.**

22 SECTION 8. THE FOLLOWING ARE REPEALED [EFFECTIVE
23 JULY 1, 2008]: IC 9-13-2-27.5; IC 9-13-2-80; IC 9-27-4; IC 9-29-12-1;
24 IC 9-29-12-2.

25 SECTION 9. **An emergency is declared for this act.**

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